Outstanding Liabilities of Government

120. SHRI PRAFULL GORADIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government's outstanding liabilities has reached the level of Rs. 10 lakh crores and annual interest burden of about Rs. 1 lakh crores;

(b) how much of the debt interest amount is owed to RBI and other financial institutions;

(c) whether Government would retire its debt to the institutions by disinvesting its holdings in them; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The total outstanding liabilities of the Central Government at the end of 1999-2000 and total interest payments for the year 1999-2000 are estimated to be Rs. 980806.60 crore and Rs. 88000 crore, respectively as per Budget 1999-2000.

(b) The Government accounts are maintained on the basic of instruments of borrowings and not lender-wise.

(c) Yes. This can be one of the several options to reduce Government liabilities.

(d) The question does not arise.

Revamping of export credit scheme

121. SHRI PRAFULL GORADIA: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has revamped export credit scheme in foreign currency;

(b) if so, the details thereof; and

(c) what would be its likely impact on the export trade?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) Guidelines issued by Reserve Bank of India for making available to exporters "Pre-shipment Credit in Foreign Currency" (PCFC) and "Rediscounting of Export Bills Abroad". (EBR) at internationally competitive rates, relate to simplification of application forms, availability of credit limits for a longer period, simplification in the execution of documents, fast track approach for clearance of proposals etc.

(c) Exporters would be able to obtain export credit at internationally competitive rates and execute orders expeditiously. Hence it is expected to improve export performance.

Privatisation of SBI

122. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the newsitem appearing in the Times of India dated the 6th November, 1999 under the caption "SBI working on plan to become private bank";

(b) if so, what is Government's reaction to the proposed move;

(c) whether similar move is afoot with regard to other nationalised banks also; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) to (d) The Committee of Financial Sector Reforms (Narasimham Committee-II) had observed that the Indian banks, by and large, are not sufficiently capitalised and further capital enhancement would be necessary for the larger Indian banks and especially those which wish to have an international presence. The Committee has therefore observed that with the competing demands